

**DRAFT**

ACT/019/005 #5  
Copy to PAM

FINANCIAL GUARANTEE BOND

Dated bond executed: \_\_\_\_\_

Effective date: \_\_\_\_\_

Principal: \_\_\_\_\_

(Legal name of owner or operator)

\_\_\_\_\_  
(Business address of owner or operator)

Type of organization: \_\_\_\_\_

(Individual, joint venture,  
partnership, or corporation)

State of incorporation: \_\_\_\_\_

Surety(ies): \_\_\_\_\_

(Name)

\_\_\_\_\_  
(Business address)

Identification Number, name, location, and plugging and

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DIVISION OF OIL  
GAS & MINING



abandonment amount(s) for each facility guaranteed by this bond

(indicate plugging and abandonment amounts separately):

Utah Underground Injection Control Identification Number \_\_\_\_\_

<u>Texasgulf Well Number</u>	<u>Well Location*</u>	<u>Plugging and Abandonment Amount</u>
Shaft No. 1	SW1/4, SE1/4, Sec. 24, T.26S, R.20E (2,526,388.55 : 680,531.71)	\$ _____
Shaft No. 2	SW1/4, SE1/4, Sec. 24, T.26S, R.20E (2,526,751.51 : 680,716.81)	\$ _____
Well No. 1	NE1/4, SE1/4, Sec. 25, T.26S, R.20E (2,528,261.61 : 676,291.94)	\$ _____
Well No. 3	NE1/4, NW1/4, Sec. 26, T.26S, R.20E (2,519,509.06 : 678,903.83)	\$ _____
Well No. 4	NW1/4, NW1/4, Sec. 26, T.26S, R.20E (2,519,145.68 : 678,499.41)	\$ _____
Well No. 5	SW1/4, NW1/4, Sec. 25, T.26S, R.20E (2,524,629.44 : 677,913.55)	\$ _____
Well No. 6	SW1/4, NE1/4, Sec. 25, T.26S, R.20E (2,526,915.52 : 677,737.23)	\$ _____
Well No. 7	NE1/4, SW1/4, Sec. 25, T.26S, R.20E (2,524,923.72 : 674,659.29)	\$ _____
Well No. 8	NW1/4, SE1/4, Sec. 36, T.26S, R.20E (2,526,558.40 : 671,830.46)	\$ _____
Well No. 9	NE1/4, SW1/4, Sec. 36, T.26S, R.20E (2,525,350.64 : 671,670.21)	\$ _____
Well No. 10	SE1/4, NW1/4, Sec. 36, T.26S, R.20E	\$ _____



	(2,525,319.79 : 672,034.35)	
Well No. 11	SW1/4, NE1/4, Sec. 36, T.26S, R.20E	\$ .....
	(2,526,983.24 : 672,589.27)	
Well No. 12	SW1/4, SE1/4, Sec. 26, T.26S, R.20E	\$ .....
	(2,521,019.61 : 675,240.54)	
Well No. 13	NW1/4, SW1/4, Sec. 25, T.26S, R.20E	\$ .....
	(2,523,591.84 : 675,965.28)	
Well No. 14	SW1/4, NE1/4, Sec. 36, T.26S, R.20E	\$ .....
	(2,527,017.04 : 672,339.03)	
Well No. 15	SW1/4, NE1/4, Sec. 26, T.26S, R.20E	\$ .....
	(2,521,780.21 : 677,699.66)	
Well No. 16	NE1/4, NE1/4, Sec. 35, T.26S, R.20E	\$ .....
	(2,523,261.42 : 673,447.48)	
Well No. 17	NE1/4, NE1/4, Sec. 25, T.26S, R.20E	\$ .....
	(2,528,501.38 : 678,539.45)	
Well No. 18	NE1/4, NE1/4, Sec. 25, T.26S, R.20E	\$ .....
	(2,528,508.13 : 678,589.35)	
Well No. 19	SE1/4, NE1/4, Sec. 25, T.26S, R.20E	\$ .....
	(2,528,417.63 : 677,819.44)	
Well No. 20	SE1/4, NE1/4, Sec. 25, T.26S, R.20E	\$ .....
	(2,527,597.60 : 677,376.20)	
Well No. 21	NE1/4, NE1/4, Sec. 25, T.26S, R.20E	\$ .....
	(2,527,597.60 : 679,247.96)	
Well No. 22	NE1/4, NE1/4, Sec. 25, T.26S, R.20E	\$ .....
	(2,527,338.76 : 679,700.14)	
Well No. 23	SE1/4, SE1/4, Sec. 24, T.26S, R.20E	\$ .....



Total penal sum of bond: \$ \_\_\_\_\_

Surety's bond number: \_\_\_\_\_

WHEREAS said Principal is required, under the Underground Injection Control Regulations (UIC), to have a permit or comply with requirements to operate under rule in order to own or operate each injection well identified above, and

WHEREAS said Principal is required to provide financial assurance



for plugging and abandonment as a condition of the permit or provisions to operate under rule, and

WHEREAS said Principal shall establish a standby trust fund as is required when a surety bond is used to provide such financial assurance;

NOW, THEREFORE, the conditions of the obligation are such that if the Principal shall faithfully, before the beginning of plugging and abandonment of each injection well identified above, fund the standby trust fund in the amount(s) identified above for the injection well,

Or if the Principal shall fund the standby trust fund in such amount(s) within 15 days after an order to begin plugging and abandonment is issued by Executive Secretary of the WPCC (herein after called Executive Secretary) or a U.S. district court or other court of competent jurisdiction,

Or, if the Principal shall provide alternate financial assurance, as specified in Subpart F of 40 CFR Part 144, as applicable, and obtain the Executive Secretary's written approval of such assurance, within 90 days after the date of notice of cancellation is received by both the Principal and the Executive secretary from the Surety(ies), then this obligation shall be null and void, otherwise it is to remain in full force and effect.

The Surety(ies) shall become liable on this bond obligation only when the Principal has failed to fulfill the conditions described above. Upon notification by the Executive Secretary that the Principal has failed to perform as guaranteed by this bond, the Surety(ies) shall place funds in the amount guaranteed for the



injection well(s) into the standby trust funds as directed by the Executive Secretary.

The Surety(ies) hereby waive(s) notification of amendments to plugging and abandonment plans, permits, applicable laws, statutes, rules, and regulations and agrees that no such amendment shall in any way alleviate its (their) obligation on this bond.

The liability of the Surety(ies) shall not be discharged by any payment or succession of payments hereunder, unless and until such payment or payments shall amount in the aggregate to the penal sum of the bond, but in no event shall the obligation of the Surety(ies) hereunder exceed the amount of said penal sum.

The Surety(ies) may cancel the bond by sending notice of cancellation by certified mail to the Principal and to the Executive Secretary, provided, however, that that cancellation shall not occur during the 120 days beginning on the date of receipt of the notice of cancellation by both the Principal and the Executive Secretary, as evidenced by the return receipts.

The Principal may terminate this bond by sending written notice to the Surety(ies), provided, however, that no such notice shall become effective until the Surety(ies) receive(s) written authorization for termination of the bond by the Executive Secretary.

Principal and Surety(ies) hereby agree to adjust the penal sum of the bond in order to renew any UIC permit granted by the WPCC, so that it guarantees a new plugging and abandonment amount, provided that no decrease in the penal sum takes place without the written permission of the Executive Secretary.



IN WITNESS WHEREOF, the Principal and Surety(ies) have executed this Financial Guarantee Bond and have affixed their seals on the date set forth above.

The persons whose signatures appear below hereby certify that they are authorized to execute this surety bond on behalf of the Principal and Surety(ies).

PRINCIPAL:

CORPORATE SURETY(IES):

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Signature(s))

\_\_\_\_\_  
(Signature(s))

\_\_\_\_\_  
(Title(s))

\_\_\_\_\_  
(Title(s))

Corporate Seal

Corporate Seal

\_\_\_\_\_  
State of Incorporation

\_\_\_\_\_  
State of Incorporation



\$ \_\_\_\_\_

Bond Premium

\$ \_\_\_\_\_

Liability Limit

(For every co-surety, provide signature(s), corporate seal, and other information in the same manner as for Surety above.)

LBM:jm

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